

SENATE BILL No. 298

DIGEST OF INTRODUCED BILL

Citations Affected: IC 2-5; IC 4-24.5.

Synopsis: Cost effectiveness analysis of state agencies. Provides procedures to evaluate and terminate all state agencies and programs on a ten year cycle. Requires the schools of public and environmental affairs or business schools of Indiana University, Purdue University, Ball State University, Indiana State University, and the University of Southern Indiana to develop internship programs to give credit to students who perform the evaluation of state agencies and programs, and requires the universities to provide the evaluation service under the direction of the legislative services agency. Repeals the current agency evaluation procedures. Makes an appropriation.

Effective: Upon passage.

Delph

January 10, 2008, read first time and referred to Committee on Appropriations.

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Second Regular Session 115th General Assembly (2008)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2007 Regular Session of the General Assembly.

SENATE BILL No. 298

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 2-5-1.1-6.5 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.5. (a) The council
3 shall, upon consultation with the governor's office, develop an annual
4 report format taking into consideration, among other things, program
5 budgeting, with the final format to be determined by the council. The
6 format may be distributed to any agency (as defined in ~~IC 2-5-21-1~~).
7 **IC 4-24.5-1-2**). The agency shall complete and return a copy in a
8 electronic format under IC 5-14-6 to the legislative council before
9 September 1 of each year for the preceding fiscal year.
10 (b) The council shall distribute one (1) copy to the governor's office,
11 one (1) copy to the budget agency, and three (3) copies to the state
12 library.
13 (c) The reports are a public record and are open to inspection.
14 SECTION 2. IC 4-24.5 IS ADDED TO THE INDIANA CODE AS
15 A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE UPON
16 PASSAGE]:
17 **ARTICLE 24.5. EVALUATION AND TERMINATION OF**



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AGENCIES AND PROGRAMS

Chapter 1. Definitions

Sec. 1. The definitions in this chapter apply throughout this article.

Sec. 2. "Agency" refers to a state agency (as defined in IC 4-13-1-1(b)).

Sec. 3. "Committee" refers to a committee established under IC 4-24.5-2.

Sec. 4. "Council" refers to the legislative council established by IC 2-5-1.1-1.

Sec. 5. "Evaluating entity" refers to:

(1) the staff of the legislative services agency; or

(2) the school of public and environmental affairs or business school of a state educational institution in Indiana;

performing an evaluation of an agency or a program.

Sec. 6. "Program" means either of the following:

(1) An activity performed by an agency.

(2) An activity an agency is authorized or required to perform by law.

Sec. 7. "State educational institution" includes Indiana University, Purdue University, Ball State University, Indiana State University, and the University of Southern Indiana.

Chapter 2. Evaluation Committee

Sec. 1. (a) At the time each major subject matter group of agencies or programs is evaluated under this article, the council shall establish a committee of sixteen (16) members, with eight (8) members from each chamber of the general assembly and not more than four (4) members from each chamber from the same political party.

(b) The speaker of the house of representatives and the president pro tempore of the senate shall each recommend members of relevant standing committees for appointment to a committee for each agency, group of agencies, or programs being evaluated.

(c) The chairman of the council, with the advice of the vice chairman of the council, shall appoint the members of each committee.

(d) An individual serves as a member of a committee until the earliest of the following:

(1) The individual resigns as a member of the committee.

(2) The individual ceases to be a member of the general assembly.

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(3) The chairman of the council appoints a member to replace the individual.

(e) The chairman of the council, with the advice of the vice chairman of the council, shall fill a vacancy on a committee.

(f) When making appointments to a committee, the chairman of the council, with the advice of the vice chairman of the council, shall appoint a member of each committee as the chair of the committee.

(g) The chair of a committee serves until the earliest of the following:

(1) The individual resigns as chair.

(2) The individual ceases to be a member of the committee.

(3) The chairman of the council appoints a member to replace the individual.

(h) A committee shall be appointed for agencies and programs before July 1 of the year in which the agencies and programs are required to be evaluated under this article.

Sec. 2. Each committee shall do the following under the direction of the council:

(1) Direct the staff of the legislative services agency to oversee each evaluation under this article.

(2) Designate the school of public and environmental affairs or business school of a state educational institution to perform the evaluation of each agency or program scheduled for evaluation.

(3) Direct the evaluating entities in performing each evaluation of agencies and programs.

(4) Perform other functions assigned by the council.

(5) Review the evaluations and make recommendations to the general assembly.

Chapter 3. Evaluation Process

Sec. 1. The following must be considered by an evaluating entity in performing evaluations of agencies or programs under this article:

(1) The objectives intended for the agency or program and the problem or need that the agency or program was intended to address.

(2) The degree to which the intended objectives of the agency or program have been achieved, expressed in terms of performance, effect, or accomplishments of the agency or program.

(3) Budget and other fiscal factors relating to the agency or

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program.

(4) Areas or aspects of outstanding agency or program performance that might be effectively used by other agencies or programs.

(5) The effect of the agency or program on the Indiana economy, including costs to consumers and businesses.

(6) Whether the operation of the agency or program has been efficient and responsive to public needs.

(7) The management efficiency of the agency or program and the cost effectiveness and value of the information the agency or program processes.

(8) Any criteria identified by the committee or council.

Sec. 2. In evaluating an agency or program, an evaluating entity shall use the following:

(1) The cost benefit and cost effectiveness analysis techniques used by the federal government to evaluate and reengineer government programs, as set out in the circulars published by the United States Office of Management and Budget and related documents, including the following:

(A) OMB Circular No. A-4 (development of regulatory analysis).

(B) OMB Circular No. A-76 (policy for the competition of commercial activities).

(C) OMB Circular No. A-94 (discount rates for cost-effectiveness, lease purchase, and related analyses).

(D) OMB Circular No. A-131 (use value engineering as a management tool, where appropriate, to reduce program and acquisition costs).

(2) Other tools recommended by the:

(A) council;

(B) committee;

(C) legislative services agency; or

(D) participating state educational institutions.

Sec. 3. (a) The council shall direct each committee concerning the agency or programs the committee is to evaluate.

(b) The committee shall direct the legislative services agency concerning support and oversight of the evaluation.

(c) The committee, through the legislative services agency, shall:

(1) choose the state educational institution to perform the evaluation; and

(2) supervise the state educational institution during the:

(A) performance of the evaluation;

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- (B) preparation of the report; and
 (C) preparation of legislation;
 for the committee.

Sec. 4. Each state educational institution shall direct its school of public and environmental affairs or business to work with the legislative services agency to evaluate agencies and programs.

Sec. 5. The dean of each state educational institution shall appoint a tenured faculty member to oversee the evaluation program of the school under section 4 of this chapter and to act as liaison between the school and the legislative services agency during the evaluation process.

Sec. 6. An evaluation program under section 4 of this chapter must be designed to give graduate students and undergraduate students of the state educational institution an opportunity to participate in the evaluation program as unpaid interns.

Sec. 7. (a) Each state educational institution shall offer elective courses to undergraduate and graduate students that allow interns in an evaluation program under section 4 of this chapter to:

- (1) receive college credit for participating in the internship program;
- (2) receive sufficient education, counseling, and course work; and
- (3) have access to computers and other equipment to successfully complete the internship.

(b) Courses offered under subsection (a) shall be submitted to the commission for higher education in the same manner as other proposed academic programs.

Sec. 8. Internship responsibilities and qualifications shall be developed by each state educational institution, with advice from the legislative services agency, to assist students in developing skills in:

- (1) math;
- (2) computers; and
- (3) management analysis;

that are readily transferrable to public and private employment.

Sec. 9. A committee shall do the following:

- (1) Review evaluation reports.
- (2) Take testimony regarding evaluation reports and other sources the committee considers related to the committee's work.
- (3) Make recommendations for legislation regarding evaluated programs and agencies, to:

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- (A) retain the agencies and programs without change;
- (B) change functions of the agencies and programs;
- (C) transfer functions of certain agencies to other agencies;
- or
- (D) recommend administrative changes.

Sec. 10. (a) The following apply to the operation of a committee:

- (1) A committee shall operate under the policies governing study committees adopted by the council unless the council specifically establishes additional guidelines for operation of a committee under this article.
- (2) The affirmative votes of a majority of the voting members appointed to a committee are required for the committee to take action on any measure, including final reports.

(b) The legislative services agency shall provide staff and administrative support for each committee as directed by the council.

(c) A committee shall prepare reports as required by the council.

Chapter 4. Agency Responsibilities

Sec. 1. The chief administrative officer and the employees of an:

- (1) agency; or
- (2) agency that administers a program;

that is subject to evaluation under this article shall cooperate with the council, a committee, or an evaluating entity as evaluating duties are performed under this article.

Sec. 2. The chief administrative officer and the employees of an agency subject to evaluation or an agency that administers a program subject to evaluation under this article shall provide the legislative services agency and the state educational institution performing the evaluation with the following information upon request:

- (1) The identity of all agencies or subunits under the agency's direct or advisory control.
- (2) A statement of all the agency's powers, duties, and functions currently performed.
- (3) A citation to all constitutional, statutory, or other authority under which the agency carries out the agency's powers, duties, and functions.
- (4) A statement of the number and types of persons the agency serves.
- (5) A summary statement, for the last completed fiscal year, of the number, type, and cost of personnel the agency:

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- 1 (A) directly employs; and
 2 (B) employs under contract;
 3 to carry out each program administered by the agency.
 4 (6) A statement identifying the source of all funds for which
 5 the agency has at least some responsibility.
 6 (7) A statement of the agency's performance and
 7 accomplishments over the last five (5) fiscal years and of the
 8 budgetary costs the agency incurred in the operation of each
 9 program administered by the agency.
 10 (8) A summary statement of:
 11 (A) the agency's reporting and record keeping
 12 requirements and activities, including the agency's
 13 management and control of information and records;
 14 (B) the value of the information gathered by the agency
 15 compared with the cost to respondents; and
 16 (C) an assessment of the agency's methods to reduce and
 17 simplify the agency's reporting and record keeping
 18 requirements.
 19 (9) A summary statement of the agency's budget and program
 20 for the last five (5) fiscal years and the current fiscal year, and
 21 the agency's budget projections for the next succeeding fiscal
 22 year.
 23 (10) An estimate of potential outputs of services to be
 24 produced by varying levels of budgetary inputs.
 25 (11) A statement concerning any powers, duties, or functions
 26 that in the agency's opinion are being performed and
 27 duplicated to any extent by another public or private program
 28 or entity, including:
 29 (A) the manner in which and the extent to which this
 30 duplication of effort is occurring; and
 31 (B) any recommendations the agency has to eliminate the
 32 duplication.
 33 (12) A statement of any powers, duties, or functions that in the
 34 agency's opinion are inconsistent with current and projected
 35 public demands and that should be terminated or altered.
 36 (13) A statement listing the private programs or entities with
 37 which the agency has substantial contacts and a description of
 38 the nature of those contacts.
 39 (14) Any other information that the committee or evaluating
 40 entity determines is necessary to complete the evaluation.
 41 Chapter 5. Agency Termination
 42 Sec. 1. (a) The agencies and programs described in subsection

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(d) concerning education are scheduled to be:

- (1) evaluated beginning not later than July 1, 2008; and
- (2) terminated and all powers, duties, and functions adhering to them terminated effective June 30, 2010.

(b) The legislative council shall appoint a committee to oversee the evaluations under this section not later than July 1, 2008. The committee appointed under this subsection terminates June 30, 2011.

(c) The committee appointed under subsection (b) shall direct an evaluating entity to begin evaluating the agencies and programs described in subsection (d) beginning July 1, 2008. The evaluating entity shall complete a report on the agencies and programs for presentation to the committee by April 1, 2009. The committee shall consider the report for the introduction of legislation for the 2010 regular legislative session.

(d) The following agencies and programs are scheduled for evaluation and termination under this section:

- (1) Department of education (IC 20-19-3) and all programs for which the department of education received an appropriation in the 2007 budget bill.
- (2) Indiana state teachers' retirement fund (IC 5-10.4-2-1).
- (3) Indiana education employment relations board (IC 20-29-3-1).
- (4) Indiana state library (IC 4-23-7-3).
- (5) Indiana arts commission (IC 4-23-2-1).
- (6) Indiana historical bureau (IC 4-23-7-3).

Sec. 2. (a) The agencies and programs described in subsection (d) concerning health and human services are scheduled to be:

- (1) evaluated under this article beginning July 1, 2009; and
- (2) terminated and all powers, duties, and functions adhering to them terminated effective June 30, 2011.

(b) The legislative council shall appoint a committee to oversee the evaluations under this section not later than July 1, 2009. The committee appointed under this subsection terminates June 30, 2012.

(c) The committee appointed under subsection (b) shall direct an evaluating entity to begin evaluating the agencies and programs described in subsection (d) beginning not later than July 1, 2009. The evaluating entity shall complete a report on the agencies and programs for presentation to the committee by April 1, 2010. The committee shall consider the report for the introduction of legislation for the regular 2011 legislative session.

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(d) The office of the secretary of family and social services (IC 12-8-1-1) and all offices, divisions, and programs administered by the office of the secretary of family and social services are scheduled for evaluation and termination under this section.

Sec. 3. (a) The agencies and programs described in subsection (d) concerning health and human services are scheduled to be:

- (1) evaluated under this article beginning July 1, 2010; and
- (2) terminated and all powers, duties, and functions adhering to them terminated effective June 30, 2012.

(b) The legislative council shall appoint a committee to oversee the evaluations under this section not later than July 1, 2010. The committee appointed under this subsection terminates June 30, 2013.

(c) The committee appointed under subsection (b) shall direct an evaluating entity to begin evaluating the agencies and programs described in subsection (d) beginning not later than July 1, 2010. The evaluating entity shall complete a report on the agencies and programs for presentation to the committee by April 1, 2011. The committee shall consider the report for the introduction of legislation for the 2012 regular legislative session.

(d) The following agencies and programs are scheduled for evaluation and termination under this section:

- (1) Department of child services (IC 31-25-1-1) and all programs administered by the department.
- (2) State department of health (IC 16-19-1-1) and all programs administered by the department.
- (3) Indiana tobacco use prevention and cessation executive board (IC 4-12-4-4) and all programs administered by the board.
- (4) Indiana School for the Blind and Visually Impaired (IC 20-21-2-1).
- (5) Indiana School for the Deaf (IC 20-22-2-1).
- (6) Indiana department of veterans' affairs (IC 10-17-1-2).

Sec. 4. (a) The Indiana department of transportation (IC 8-23-2-1) is scheduled to be:

- (1) evaluated under this article beginning July 1, 2011; and
- (2) terminated and all powers, duties, and functions adhering to the department terminated effective June 30, 2013.

(b) The legislative council shall appoint a committee to oversee the evaluation process under this section not later than July 1, 2011. The committee appointed under this subsection terminates June 30, 2014.

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(c) The committee appointed under subsection (b) shall direct an evaluating entity to begin evaluating the Indiana department of transportation beginning not later than July 1, 2011. The evaluating entity shall complete a report on the Indiana department of transportation for presentation to the committee by April 1, 2012. The committee shall consider the report for the introduction of legislation for the 2013 regular legislative session.

Sec. 5. (a) The agencies and programs listed in subsection (d) concerning public safety are scheduled to be:

- (1) evaluated under this article beginning July 1, 2012; and
- (2) terminated and all powers, duties, and functions adhering to them terminated effective June 30, 2014.

(b) The legislative council shall appoint a committee to oversee the evaluations under this section not later than July 1, 2012. The committee appointed under this subsection terminates June 30, 2015.

(c) The committee appointed under subsection (b) shall direct an evaluating entity to begin evaluating the agencies and programs listed in subsection (d) beginning not later than July 1, 2012. The evaluating entity shall complete a report on the agencies and programs for presentation to the committee by April 1, 2013. The committee shall consider the report for the introduction of legislation for the 2014 regular legislative session.

(d) The following agencies and programs are scheduled for evaluation and termination under this section:

- (1) Department of correction (IC 11-8-2-1).
- (2) State police department (IC 10-11-2-4).
- (3) Integrated public safety commission (IC 5-26-2-1).
- (4) Adjutant general (IC 10-16-2-1).
- (5) Indiana criminal justice institute (IC 5-2-6-3).
- (6) Coroners training board (IC 4-23-6.5-3).
- (7) Indiana department of gaming research (IC 4-33-18-2).

Sec. 6. (a) The agencies and programs listed in subsection (d) concerning public safety are scheduled to be:

- (1) evaluated under this article beginning July 1, 2013; and
- (2) terminated and all powers, duties, and functions adhering to them terminated effective June 30, 2015.

(b) The legislative council shall appoint a committee to oversee the evaluations under this section not later than July 1, 2013. The committee appointed under this subsection terminates June 30, 2016.

(c) The committee appointed under subsection (b) shall direct an

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evaluating entity to begin evaluating the agencies and programs listed in subsection (d) beginning not later than July 1, 2013. The evaluating entity shall complete a report on the agencies and programs for presentation to the committee by April 1, 2014. The committee shall consider the report for the introduction of legislation for the 2015 regular legislative session.

(d) The following agencies and programs are scheduled for evaluation and termination under this section:

- (1) Law enforcement training board (IC 5-2-1-3).
- (2) Bureau of motor vehicles (IC 9-14-1-1).
- (3) Department of labor (IC 22-1-1-1).
- (4) Department of insurance (IC 27-1-1-1).
- (5) Alcohol and tobacco commission (IC 7.1-2-1-1).
- (6) Department of financial institutions (IC 28-1).
- (7) Civil rights commission (IC 22-9-1-4).
- (8) Indiana professional licensing agency (IC 25-1-5-3).
- (9) Office of utility consumer counselor (IC 8-1-1.1-2).
- (10) Indiana utility regulatory commission (IC 8-1-1-2).
- (11) Worker's compensation board of Indiana (IC 22-3-1-1).
- (12) Department of homeland security (IC 10-19-2-1).

Sec. 7. (a) The agencies and programs listed in subsection (d) concerning economic development are scheduled to be:

- (1) evaluated under this article beginning July 1, 2014; and
- (2) terminated and all powers, duties, and functions adhering to them terminated effective June 30, 2016.

(b) The legislative council shall appoint a committee to oversee the evaluations under this section not later than July 1, 2014. The committee appointed under this subsection terminates June 30, 2015.

(c) The committee appointed under subsection (b) shall direct an evaluating entity to begin evaluating the agencies and programs listed in subsection (d) beginning not later than July 1, 2014. The evaluating entity shall complete a report on the agencies and programs for presentation to the committee by April 1, 2015. The committee shall consider the report for the introduction of legislation for the 2016 regular legislative session.

(d) The following agencies and programs are scheduled for evaluation and termination under this section:

- (1) Department of agriculture (IC 15-9-2-1).
- (2) Indiana economic development corporation (IC 5-28-3-1).
- (3) Indiana finance authority (IC 4-4-11).
- (4) Indiana housing and community development authority

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1 (IC 5-20-1-3).

2 (5) Department of workforce development (IC 22-4-18-1).

3 Sec. 8. (a) The agencies and programs listed in subsection (d)
4 concerning conservation and environment are scheduled to be:

5 (1) evaluated under this article beginning July 1, 2015; and

6 (2) terminated and all powers, duties, and functions adhering
7 to them terminated effective June 30, 2017.

8 (b) The legislative council shall appoint a committee to oversee
9 the evaluations under this section not later than July 1, 2015. The
10 committee appointed under this subsection terminates June 30,
11 2018.

12 (c) The committee appointed under subsection (b) shall direct an
13 evaluating entity to begin evaluating the agencies and programs
14 listed in subsection (d) beginning not later than July 1, 2015. The
15 evaluating entity shall complete a report on the agencies and
16 programs for presentation to the committee by April 1, 2016. The
17 committee shall consider the report for the introduction of
18 legislation for the 2017 regular legislative session.

19 (d) The following agencies and programs are scheduled for
20 evaluation and termination under this section:

21 (1) Department of natural resources (IC 14-9-1-1).

22 (2) Indiana war memorials commission (IC 10-18-1-2).

23 (3) Indiana White River state park development commission
24 (IC 14-13-1-5).

25 (4) St. Joseph River basin commission (IC 14-30-3-5).

26 (5) Department of environmental management (IC 13-13-1-1).

27 (6) Office of environmental adjudication (IC 4-21.5-7-3).

28 Sec. 9. (a) The agencies and programs listed in subsection (d)
29 concerning general government are scheduled to be:

30 (1) evaluated under this article beginning July 1, 2016; and

31 (2) terminated and all powers, duties, and functions adhering
32 to them terminated effective June 30, 2018.

33 (b) The legislative council shall appoint a committee to oversee
34 the evaluations under this section not later than July 1, 2016. The
35 committee appointed under this subsection terminates June 30,
36 2019.

37 (c) The committee appointed under subsection (b) shall direct an
38 evaluating entity to begin evaluating the agencies and programs
39 listed in subsection (d) beginning not later than July 1, 2016. The
40 evaluating entity shall complete a report on the agencies and
41 programs for presentation to the committee by April 1, 2017. The
42 committee shall consider the report for the introduction of

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1 legislation for the 2018 regular legislative session.

2 (d) The following agencies and programs are scheduled for
3 evaluation and termination under this section:

- 4 (1) State board of accounts (IC 5-11-1-1).
- 5 (2) Office of management and budget (IC 4-3-22-3).
- 6 (3) Budget agency (IC 4-12-1-3).
- 7 (4) Department of state revenue (IC 6-8.1-2-1).
- 8 (5) Indiana horse racing commission (IC 4-31-3-1).
- 9 (6) Department of local government finance (IC 4-22-5).
- 10 (7) Indiana board of tax review (IC 6-1.5-2-1).
- 11 (8) Indiana department of administration (IC 4-13-1-2).
- 12 (9) State personnel department (IC 4-15-1.8-2).
- 13 (10) Office of technology (IC 4-13.1-2-1).
- 14 (11) Commission on public records (IC 5-15-5.1-3).
- 15 (12) Office of the public access counselor (IC 5-14-4-5).
- 16 (13) Office of the inspector general (IC 4-2-7-2).

17 Sec. 10. Each agency or program that is not terminated under
18 this chapter is subject to the evaluation and termination process
19 ten (10) years after the initial evaluation under this chapter and
20 every ten (10) years thereafter.

21 Sec. 11. (a) The governor, by executive order, may delay the
22 date on which an agency or a program is terminated for one (1)
23 year beyond the date of termination specified by the council, if, in
24 the governor's opinion, the delay will have a beneficial effect for
25 the state on the:

- 26 (1) orderly and adequate provision of governmental services;
- 27 (2) safety of persons or property;
- 28 (3) economy;
- 29 (4) natural environment; or
- 30 (5) well-being of individuals.

31 (b) There is appropriated to any agency or program for which
32 the governor delays the date of termination the same sum from the
33 same sources of funds that the agency or program received for its
34 appropriation in the fiscal year before its original date for
35 termination.

36 (c) All powers, duties, and functions of an agency or a program
37 for which the governor delays the date of termination continue in
38 full force and effect during the delay period.

39 (d) An agency or a program may not be continued by executive
40 order for more than one (1) period of one (1) year.

41 Chapter 6. Termination Procedures

42 Sec. 1. An agency or a program is terminated under this article

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1 unless the general assembly enacts legislation to continue the
 2 agency or program. If an agency or a program is terminated under
 3 this article, the procedures in this chapter apply.

4 **Sec. 2.** Any balance in any fund appropriated for any agency or
 5 program that is terminated reverts to the fund from which the
 6 appropriation was made.

7 **Sec. 3.** If the functions of an agency or a program are
 8 transferred to another state agency or program, the balance of any
 9 money appropriated to the agency or program from which the
 10 duties were transferred shall be transferred to the agency or
 11 program responsible for continuing the duties of the agency or
 12 program.

13 **Sec. 4.** All assets and liabilities of an agency or a program that
 14 is terminated shall be disposed of or redistributed according to the
 15 legislation enacted to terminate or transfer the agency or program.

16 **Sec. 5.** The governor shall take action necessary to effect an
 17 orderly termination of an agency or a program that is terminated
 18 under this chapter.

19 **Chapter 7. New Agencies**

20 **Sec. 1.** Any proposal to create a new agency or program must
 21 include a cost benefit analysis of the services to be provided by the
 22 new agency or program using the criteria in IC 4-24.5-3.

23 **Sec. 2.** If legislation creating a new agency or program after
 24 April 1, 2008, does not include a provision setting the date for
 25 termination of the agency or program, the council shall add the
 26 agency or program to the list of agencies or programs under
 27 IC 4-24.5-5-1 through IC 4-24.5-5-9 most closely related to the
 28 agency or program and shall evaluate the agency or program with
 29 the agencies or programs with similar functions.

30 **SECTION 3.** IC 2-5-21 IS REPEALED [EFFECTIVE UPON
 31 PASSAGE].

32 **SECTION 4.** An emergency is declared for this act.

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